LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **SEPTEMBER 19, 2006**, upon the application of **GRIGSBY PETROLEUM, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Formation**, **Reservoir A and the Cotton Valley Formation**, **Reservoir A**, in the Caspiana Field, Caddo and DeSoto Parishes, Louisiana.

- 1. To permit the applicant to drill, designate and utilize additional alternate unit wells for the HOSS RA SUF and HOSS RA SUH, at the locations shown on the plats submitted with the application, which locations are in exception to the spacing provisions of the 191-B Series of Office of Conservation Orders.
- 2. To permit the applicant to drill, designate and utilize additional alternate unit wells for the CV RA SUF and CV RA SUH, at the locations shown on the plats submitted with the application, which locations are in exception to the spacing provisions of the 191-A Series of Office of Conservation Orders.
- 3. To find that the proposed alternate unit wells are necessary to efficiently and economically drain that portion of the reservoirs covered by the units referenced above.
- 4. To continue in effect the existing designations and use of the current unit well and alternate unit wells for each of the units referenced above.
- 5. To permit the operator to produce the unit allowable for the HOSS RA SUF and HOSS RA SUH in accordance with the provisions of Office of Conservation Order No. 191-B-15, effective June 18, 1996, at a rate equal to the combined rate at which the unit well and the alternate unit well or wells located on each unit are capable of efficiently producing.
- 6. To permit the operator to produce the unit allowable for the CV RA SUF and CV RA SUH in accordance with the provisions of Office of Conservation Order No. 191-A-22, effective June 18, 1996, at a rate equal to the combined rate at which the unit well and the alternate unit well or wells located on each unit are capable of efficiently producing.
- 7. Except to the extent herein set forth, to continue in full force and effect the provisions of the 191-B and 191-A Series of Office of Conservation Orders, respectively, the units created thereby, and applicable Statewide Orders.
- 8. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, was previously defined in Office of Conservation Order No. 191-B. effective April 15, 1975.

The Cotton Valley Formation, Reservoir A, was previously defined in Office of Conservation Order No. 191-A, effective February 15, 1975.

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Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 8/17/06;8/22/06 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.